
BUDGET OVERVIEW

Budget Overview

King County is the 14th most populous county in the United States and is home to over 1.93 million residents. The county is the economic center of the Puget Sound region and has about 1.16 million non-farm jobs. King County is the home of many well-known businesses, non-profit organizations, and civic institutions, including Microsoft, Amazon, Boeing Commercial Airplanes, the Gates Foundation, the Fred Hutchinson Cancer Research Center, and the University of Washington.

King County government provides two types of services. The County is a regional government providing transit, Superior Courts, prosecution and defense of felonies, corrections, elections, property assessment, licensing, public health, wastewater treatment, solid waste transfer and disposal, human services, regional parks, the King County International Airport (Boeing Field), and other programs for most or all of the county. The County is also a local government for the unincorporated area providing Sheriff's services, District Courts, roads, surface water management, land use and building permitting, prosecution and defense of misdemeanors, and other services. Many cities contract with the County to provide some of these local services within their jurisdictions. The County has other agencies that oversee and support the direct service agencies, including the County Executive, County Council, King County Information Technology (KCIT), and the Department of Executive Services (DES). Finally, County agencies provide flood control and ferry services under contracts with two separate governments: the King County Flood Control District and the King County Ferry District. Despite its title, the King County Library System is a separate government and is not administered by King County.

2012 Proposed Budget

County Executive Dow Constantine's 2012 Proposed Budget totals \$5.3 billion. This includes the biennial (2012-2013) budgets for the Department of Development and Environmental Services (DDES) and the Department of Transportation (DOT). The County is in the process of gradually moving to a biennial budget. Current plans call for most agencies, except those budgeted in the General Fund, to prepare biennial budgets for 2013-2014. All agencies will move to biennial budgeting for 2015-2016.

King County's budget is complex due to legal and policy restrictions on the use of funds. Many revenues can only be used for specified purposes. For example, revenues received from cities and sewer districts for wastewater conveyance and treatment can only be used for those purposes. Sales tax revenues from the 0.9 percent transit sales tax can only be used to provide transit services. Property tax revenues from voter-approved levy lid lifts, such as the renewal of the Veterans and Human Services Levy that occurred in August 2011, must be used for the purposes specified in the ballot measure. The County's only truly flexible source of money is the General Fund.

The 2012 Proposed Budget for the General Fund totals \$648.1 million. The General Fund supports the traditional function of county government in Washington State, including the Sheriff's Office, Superior and District Courts, the Prosecuting Attorney's Office, public defense, corrections, the Assessor's Office, Elections, and various administrative functions. The General Fund also provides support to some other funds, including Public Health, and provides funding for many capital projects.

The 2012 Proposed Budget reflects several major changes in response to the King County Strategic Plan (KCSP), which was adopted by the County Council in mid-2010. These changes are described in the "Alignment with the King County Strategic Plan" section of this Overview.

The 2012 Proposed Budget also reflects implementation of Executive Constantine's reform agenda, notably the goal to find 3 percent efficiencies annually. In the decade between 2001 and 2010, the annual growth rate in the cost of providing most County services was about 3 percent more than the sum of inflation and population growth. This higher cost growth was due primarily to increases in employee wages and benefits, notably health care costs. As a result, the County reduced services and employment over several years to keep expenditures in line with revenues. The "Great Recession" beginning in 2008 created even more of a challenge as revenues that are sensitive to economic conditions, such as sales taxes, plunged.

Executive Constantine's agenda calls on all agencies to find annual efficiencies that bring the growth in the cost of County programs in line with the rate of inflation and population growth. This can be accomplished through both general, County-wide means, such as better managing health care costs, and through agency-specific means, such as finding ways to make processes more efficient. The 2012 Proposed Budget reflects both of these types of efficiencies, which are detailed in a later section. As a result, most County funds, including the General Fund, were balanced without significant cuts in services or employment, despite continued economic turmoil. Current projections indicate that many funds, including the General Fund, are balanced over the next few years as long as 3 percent efficiencies continue to be found. The success of this effort meant that Executive Constantine did not ask most agencies for "targeted reductions" for 2012, in contrast with the significant budget and service cuts in prior years.

The 2012 Proposed Budget, along with supplemental appropriation ordinances in 2011, includes a series of investments intended to generate future cost savings. Two notable examples are information technology and building space. The County continues to operate some antiquated computer systems, including mainframe technology. Starting with an ordinance approved by the County Council in July 2011, the County will make investments to replace systems and equipment that in some cases are more than 30 years old. These investments will yield savings beginning in 2013 in the forms of cost avoidance and budget reductions that do not affect services. A related investment in a County Data Center, begun several years ago, has allowed servers to be moved to a single location that reduces equipment, utility, and staffing costs. This consolidation will be completed in 2012.

Similarly, the County Council approved funding in July 2011 to make a series of space moves to consolidate existing County office facilities by mid-2012. The County will be able to vacate and likely sell the Blackriver Building in Renton. It will also be able to vacate much of the Yesler Building in downtown Seattle, with the vacated floors being mothballed to reduce operating costs. County agencies will save about \$2.1 million in space charges in 2012 as a result of using space more efficiently. In 2012, some of these savings are offset by higher General Fund costs to maintain the vacant space. These General Fund costs should largely be eliminated in 2013 as buildings are mothballed or sold.

The King County Sheriff's Office is in the midst of a similar consolidation of its east county precincts into a new facility in Sammamish City Hall. This move, along with the move of the Criminal Investigations Division from the Maleng Regional Justice Center to downtown Seattle, will result in annual savings of approximately \$400,000.

Another example of efficiencies is found in the DOT Fleet Administration Division's annual process of reviewing the number of vehicles assigned to each agency. In August 2011, this process identified 54 vehicles that could be eliminated from the County's fleet, reducing annual costs by hundreds of thousands of dollars.

More details on efficiencies are provided in a subsequent section.

Fiscal Environment

King County's economic and financial situation has improved between 2010 and 2011 in most areas, although some County funds face new or growing challenges. Five major factors are worth noting:

1. Economic environment. As described in more detail in the "Economic and Revenue Forecast" section, the regional economy has stabilized over the past year and slow growth has begun in many sectors. Private employers are adding jobs in technology, health care, and some other sectors, although employment in construction continues to be very weak. These new jobs have been offset to some extent by reductions in public sector employment. The improvement in employment and income has led to modest increases in some economically-dependent revenues, notably the sales tax. A one-time tax amnesty program administered by the State added to 2011 sales tax collections.
2. Costs of employee benefits. Employee benefits costs, particularly health care and pensions, have been a major factor in creating chronic imbalances between revenues and expenditures for many county funds. Significant progress was made in 2010 and 2011 in slowing the growth of these costs. The County worked with its employees and unions to find ways to hold down health care expenses, including more preferential pricing for generic prescriptions, shifting to more cost-effective medical providers without reducing quality of service, and encouraging employee weight loss. As a result, the budgeted 2011 health care cost increase of 12.5 percent was entirely avoided, and a supplemental appropriation recapturing these funds accompanies the 2012 Proposed Budget. The combined savings for 2011 and 2012 are about \$61.8 million for all funds, including \$19.2 million for the General Fund. These savings have been redirected to continue services, preserve jobs, and increase reserves.

Actuarial projections indicate that future health care costs likely will grow by 8 percent per year, which is what is assumed for the 2012 Proposed Budget. This growth rate, while lower than past projections, is still not sustainable. The County will be working with its employees and unions to find further ways to manage health care cost growth while preserving or increasing quality.

The vast majority of County employees are members of State-administered pension plans. Employer contributions to these plans were projected to increase dramatically between 2010 and 2017 due to underfunding of older plans. In 2011, the State Legislature eliminated a cost-of-living adjustment in some of the plans, which had the effect of lowering the unfunded liability on a permanent basis. Pension rates will continue to increase in the future, but at a slower rate than had been assumed. Countywide savings from the lower than expected contribution rates total about \$22.5 million for 2011 and 2012 combined.

3. State and federal funding reductions. Both the federal and state governments face major financial challenges and have made spending reductions that affect King County departments, notably Public Health (DPH), Adult and Juvenile Detention (DAJD), and Community and Human Services (DCHS). Both DPH and DCHS made mid-2011 program reductions in response to state funding reductions. Further reductions are likely in 2012. The 2012 Proposed Budget includes the effects of the 2011 cuts but does not speculate on potential future actions. The remainder of the County's budget is fairly well insulated from federal and state actions because little or no money from these levels of government is provided to King County. However, federal and state program reductions will have effects on the County's residents.
4. New revenue source for transit. DOT's Transit Division provides bus, paratransit, vanpool, and related services throughout the county. Sales tax revenue represents the single largest source of

funding for these services. The recession caused sales tax revenues to fall from a high of \$442 million in 2007 to a low of \$375 million in 2010. The latest forecast shows sales tax revenues not returning to their 2007 level until 2014. Without additional revenue, Transit would have had to reduce bus service by about 600,000 hours (roughly 17 percent of total service hours) in the 2012-2013 biennium. However, in response to a series of efficiencies and reforms implemented by the County, the Legislature provided a two-year authority to levy a \$20 per vehicle congestion reduction charge to support transit. The County Council approved this charge in August, and revenue collection will begin in early 2012. Transit still needs a long-term funding source, but this action averted a substantial short-term reduction in service.

5. Declining revenue base for unincorporated area functions. Some of the functions provided by the County in unincorporated areas are supported by revenues generated only in those areas. As urban areas are annexed by cities, the revenue base for these functions narrows, but most of the costs remain. This problem is most acute for DOT's Road Services Division. The principal revenue source for the Division is a property tax. In 2009, property subject to this tax had an assessed value of \$52.5 billion. Current projections for 2012 show a taxable assessed value of only \$33.1 billion, a reduction of 37 percent. This is due to a combination of annexations and lower valuations for most properties. In addition, the Roads Fund continues to pay debt service on some capital projects that are now within cities. In response to these challenges and the 2010 Strategic Plan for Roads Services, the Division is proposing significant reductions in capital and operating spending, including the implementation of five tiers of roads, with the highest tiers receiving continued investment and the lowest tiers receiving only minimal maintenance.

Alignment with the King County Strategic Plan

The KCSP is intended to guide all of the County's policy, management, and financial decisions. It consists of four "What We Deliver" goals (Justice and Safety, Health and Human Potential, Economic Growth and Built Environment, and Environmental Sustainability) and four "How We Deliver" goals (Service Excellence, Financial Stewardship, Public Engagement, and Quality Workforce).

The 2012 Proposed Budget is structured to reflect these goals. Most appropriations are organized within the four "What" goal areas, and appropriations for many central service agencies are organized in a combined "How" goal area.

More significantly, the KCSP has started to affect the decisions reflected in the 2012 Proposed Budget. Agencies were asked to link their budget proposals to specific parts of the KCSP, and budget discussions often reflected the Plan's goals. For example, there are proposals in the budget that reflect ideas to improve service excellence and financial stewardship.

The KCSP embodies the concept of equity and social justice (ESJ), an initiative started several years ago to improve the quality of decisionmaking. The purpose of ESJ is to make sure that all individuals and communities are treated equitably in County programs and to promote more comprehensive thinking about these issues. More detail about ESJ is provided later in this chapter.

Efficiencies

As described previously, the Executive's reform agenda's focus on efficiency was a critical factor in assembling the 2012 Proposed Budget. Efficiencies can be of many types, including lower than expected costs for health care and pensions, cost reductions due to improved processes, rent savings from consolidation, increased revenues by providing more services with the same level of staff, and avoided costs that would have otherwise been incurred. The following table summarizes the efficiencies and cost

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avoidance identified by County agencies, including those that were generated centrally and then applied to agency budgets. It is noteworthy that the county exceeded its targeted 3 percent efficiencies in the General Fund and on a countywide basis.

General Fund Appropriation Units	Efficiencies	Non General Fund Appropriation Units (cont.)	Efficiencies
County Council	\$ (76,000)	Office of Public Defender MIDD	\$ (119,000)
Council Administration	\$ (415,000)	District Court MIDD	\$ (160,000)
Hearing Examiner	\$ (12,000)	Adult and Juvenile Detention MIDD	\$ (77,000)
County Auditor	\$ (69,000)	Jail Health Services MIDD	\$ (194,000)
Ombudsman/Tax Advisor	\$ (40,000)	Mental Health and Substance Abuse MIDD	\$ (14,000)
King County Civic Television	\$ (16,000)	Mental Illness and Drug Dependency	\$ (115,000)
Board of Appeals	\$ (16,000)	Veterans and Family Levy	\$ (47,000)
Office of Law Enforcement Oversight	\$ (15,000)	Human Services Levy	\$ (20,000)
Charter Review Commission	\$ (7,000)	Emergency Medical Services	\$ (4,077,000)
Office of Economic and Financial Analysis	\$ (20,000)	Water and Land Resources	\$ (1,650,000)
County Executive	\$ (10,000)	Rural Drainage	\$ (38,000)
Office of the Executive	\$ (102,000)	Automated Fingerprint Identification System	\$ (672,000)
Office of Performance, Strategy and Budget	\$ (320,000)	Citizen Councilor Network	\$ (18,000)
Office of Labor Relations	\$ (65,000)	MHCADS - Alcoholism and Substance Abuse	\$ (516,000)
Sheriff	\$ (5,352,000)	Youth Sports Facilities Grant	\$ (4,000)
Drug Enforcement Forfeits	\$ 1,000	Noxious Weed Control Program	\$ (55,000)
Office of Emergency Management	\$ (17,000)	Development and Environmental Services	\$ (1,784,000)
Executive Services - Administration	\$ (210,000)	Children and Family Services Operating	\$ (105,000)
Human Resources Management	\$ (261,000)	Animal Services	\$ (267,000)
Cable Communications	\$ (4,000)	Parks and Recreation	\$ (4,105,000)
Real Estate Services	\$ (107,000)	King County Flood Control Contract	\$ (156,000)
Records and Licensing Services	\$ (353,000)	Marine Division	\$ (539,000)
Prosecuting Attorney	\$ (1,921,000)	Public Health	\$ (7,639,000)
Superior Court	\$ (1,743,000)	Medical Examiner	\$ (155,000)
District Court	\$ (1,261,000)	Grants	\$ (273,000)
Elections	\$ (270,000)	Employment and Education Resources	\$ (969,000)
Judicial Administration	\$ (1,002,000)	Federal Housing and Community Development	\$ (148,000)
Boundary Review Board	\$ (24,000)	Natural Resources and Parks Administration	\$ (717,000)
Internal Support	\$ (736,000)	Solid Waste	\$ (2,656,000)
Assessments	\$ (1,263,000)	Airport	\$ (506,000)
Jail Health Services	\$ (1,055,000)	Radio Communication Services (800 MHz)	\$ (55,000)
Adult and Juvenile Detention	\$ (6,750,000)	I-Net Operations	\$ (35,000)
Office of the Public Defender	\$ (1,153,000)	Wastewater Treatment	\$ (4,075,000)
		Transit	\$ (18,183,000)
General Fund Total	\$ (24,664,000)	DOT Director's Office	\$ (255,000)
		Safety and Claims Management	\$ (115,000)
Non General Fund Appropriation Units		Finance and Business Operations	\$ (885,000)
Roads	\$ (4,113,000)	DES IT Equipment Replacement	\$ (4,000)
Solid Waste Post-Closure Landfill Maintenance	\$ (3,000)	KCIT Strategy and Performance	\$ (190,000)
Veterans Services	\$ (27,000)	Geographical Information Systems	\$ (158,000)
Developmental Disabilities	\$ (79,000)	Business Resource Center	\$ (127,000)
Community and Human Services Administration	\$ (167,000)	Employee Benefits	\$ (101,000)
Recorder's Operations and Maintenance	\$ (18,000)	Facilities Management Internal Service	\$ (2,357,000)
Enhanced-911	\$ (104,000)	Risk Management	\$ (85,000)
MHCADS - Mental Health	\$ (315,000)	Technology Services	\$ (1,142,000)
Judicial Administration MIDD	\$ (49,000)	Telecommunications	\$ (10,000)
Prosecuting Attorney MIDD	\$ (95,000)	Equipment Rental and Revolving	\$ (217,000)
Superior Court MIDD	\$ (61,000)	Motor Pool Equipment Rental and Revolving	\$ (323,000)
Sheriff MIDD	\$ (2,000)		
		Countywide Total	\$ (85,809,000)

These savings allowed the County to continue to provide services and preserve jobs. They also created the opportunity to use some of the savings to make investments that will generate additional savings in the future.

Focus on Sustainability

The 2012 Proposed Budget was developed with the long-term perspective of being sustainable within projected resources. The efficiency initiative described previously is a major aspect of this, but several other processes or proposals are noteworthy:

1. The budget builds on the labor partnership started in 2010. Last year, the County bargained with unions representing its employees to forego a cost-of-living adjustment (COLA) for 2011. Unions representing about 90 percent of the County's employees agreed to this, which saved about \$23.5 million countywide (the 90 percent figure includes non-represented employees). These savings allowed services to continue and jobs to be restored that had been slated for elimination. Many of the unions agreed to three or four-year contracts with COLAs of 90 to 95 percent of the local Consumer Price Index. They also agreed to eliminate the previous "floor" that required a minimum 2 percent COLA. These agreements provide predictability for employees and help to keep County costs below the rate of inflation and population growth.
2. The budget increases reserves in several funds. Financial reserves were drawn down in many County funds in response to the Great Recession. Despite this, the County maintained the highest-possible ratings on General Obligation bonds, which allows the County to borrow at very low interest rates. The 2012 Proposed Budget adds to reserves in several areas:
 - The unrestricted General Fund balance is increased from 6 percent to 6.5 percent. County policy calls for this balance to be between 6 percent and 8 percent. The County has budgeted at the bottom of the range for several years, although actual year-end balances have typically been higher. The 2012 Proposed Budget assumes a 2012 year-end unrestricted balance of 6.5 percent (\$34.6 million). This is in addition to the \$15.9 million balance in the Rainy Day Fund.
 - Reserves for lower than forecast sales tax revenue are established in the General Fund and the Public Transportation (Transit) Fund. The County already follows a conservative revenue forecasting practice by budgeting revenues at the 65 percent confidence level, which means there is a 65 percent chance that actual revenues will equal or exceed the budgeted level. Because of the high degree of economic uncertainty, the 2012 Proposed Budget also sets aside the amount between the 65 percent and 95 percent confidence levels in the two funds that receive the most sales tax revenue. This amounts to \$2.4 million for the General Fund and \$6.7 million for Transit.
 - The General Fund reserve for future pension liabilities is increased to \$12.4 million. This reserve has been set aside over the last few years to help offset higher pension costs in the future. Other reserves are established or increased for major maintenance, risk mitigation, and to help avoid future deficits.
 - New financial policies are established for the Roads Division. These policies include creating an undesignated year-end fund balance, maintaining a reserve for storm costs or revenue shortfalls, not budgeting property sale revenues until they are received, and developing a 20-year plan for infrastructure improvements at facilities such as shops.

- Reserves for future software replacement are established in the Business Resource Center (BRC). The BRC is a new unit that will support the central information technology systems being developed by the Accountable Business Transformation (ABT) project, which is described more fully in a later item. The 2012 Proposed Budget includes money to begin to accumulate reserves to upgrade this software when new versions are released. This policy treats software in the same manner as equipment replacement, which will avoid the need to issue debt to pay for these upgrades.
3. The budget proposes a consolidation of information technology functions. For several years, the County has discussed the benefits of consolidating departmental information technology functions and staff into a single agency. The 2012 Proposed Budget implements this idea for all departments reporting to the County Executive. The existing Office of Information Resource Management will absorb these responsibilities and is renamed as King County Information Technology (KCIT). For 2012, the budgets and staff are transferred from other departments to KCIT, with modest changes in a few cases. Service level agreements will be established between KCIT and other agencies. Starting in 2013, efficiencies from the consolidation will be realized.
 4. The budget supports successful implementation of the ABT project. ABT is a multi-year effort to replace the County's central information processing systems, including human resources, payroll, accounting, and budgeting. The human resources system was deployed at the end of 2010. The payroll, accounting, and financial management functions are scheduled to be implemented at the beginning of 2012. The budget module will be implemented in the first quarter of 2012. A new performance management system will be deployed on a pilot basis in late 2012. In order to ensure successful implementation of a complex new system, temporary staff are added in a few agencies. In early 2012, a benefits realization review will be conducted in all county agencies to identify efficiencies that have been generated by ABT and implement them for the 2013 budget. Efficiencies have already been realized in some agencies in previous budgets or the 2012 Proposed Budget.
 5. The budget begins to implement a product-based model of planning and budgeting. Governmental budgets are typically organized by agency and units within an agency. This often makes it difficult for the public to understand what an agency produces and it complicates measuring the quality, efficiency, and cost of these services. The 2012 Proposed Budget begins to shift to a "product" focus, where a product is a specific service an agency provides. Six agencies served as test cases for this concept: DNRP's Wastewater Treatment Division, DNRP's Solid Waste Division, DOT's Fleet Administration Division, DES's Regional Animal Services unit, KCIT, and the Office of Performance, Strategy and Budget (PSB). The budget sections for these six agencies present detail about the products provided by each agency and some attributes of each, such as alignment with the KCSP, quantity produced, quality measures, and cost per unit. These product lists are still works in progress and not all agencies have the same attributes. Most agencies other than the test cases have started to identify products. The Executive's goal is to have most or all county agencies using product-based budgets by 2014 as part of a revised business planning process.
 6. The budget reflects continued partnership with other governments. New economic realities mean that governments must seek efficiencies not only within their own operations but across organizational boundaries. The 2012 Proposed Budget reflects a continued and expanded partnership between the County and many other governments. For example, the financial plan developed as part of the 2011 Adopted Budget assumed that the City of Seattle would largely remove its inmates from King County's correctional facilities in late 2011. However, the County

and City negotiated a new jail services contract that gives the City a long-term commitment for predictable space and charges at a location that is across the street from the City's Courthouse. In return, the County received a long-term commitment that allows it to make more cost-effective use of its jail capacity.

Similarly, the King County Sheriff's Office maintained all of its contracts with suburban cities. A year ago, several cities indicated they were considering cancelling their contracts with the Sheriff's Office. However, the Sheriff and Executive worked together to demonstrate to the cities that the contracting model provided both higher levels of service and lower costs than having separate police agencies. This was validated by an independent study conducted for the City of Burien.

7. The budget includes \$1 million of one-time General Fund support for human services providers. King County is the home of hundreds of non-profit agencies that provide human services to county residents. Many of these agencies have faced major reductions in funding from governments and other sources, while needs for food, shelter, health care, counseling, and other services have grown due to the weak economy. The Executive is proposing to devote a portion of the savings from General Fund efficiencies to a one-time competitive pool of funds. Non-profit agencies would be asked to submit proposals by December 30, 2011, with requests focused on one-time needs such as technology or organizational development. At least 40 awards of \$25,000 or less would be made. DCHS would administer the program. All projects would be complete by December 31, 2012.
8. The budget includes reinvestment in the "internal infrastructure" of County government. In recent years, the County has reduced or eliminated several functions that are essential to the long-term functioning of any large organization. For example, staff devoted to Countywide organizational development and training were completely eliminated, and training funds in individual agencies were reduced. In an effort to improve "How" King County operates, this budget proposes to reinvest in this essential internal infrastructure in three notable ways:
 - A new Continuous Improvement group is added to PSB. This four-person group would build on work done by loaned and temporary staff to implement the Executive's commitment to the "Lean" methodology in County government in 2011. Lean is a form of analysis based on the Toyota Production System and focuses on finding ways to improve processes and reduce waste. The County has conducted three Lean "events" through August 2011, two focused on licensing and one focused on the Executive legislative review process. All three identified substantial opportunities to produce better products in less time. This proposal will reduce the cost growth of County services, directly aligning with the Strategic Plan's financial stewardship objective.
 - An Employee Development and Training unit is added to the Human Resources Division of DES. This unit would begin to rebuild the internal capacity to support organizational development and employee training that has been cut in recent years. In addition, several agencies, including the Sheriff's Office, DOT's Transit Division, and KCIT are rebuilding their training budgets. This proposal directly aligns with the Strategic Plan's quality workforce objective.
 - Funding for an Executive audit contractor is added to PSB. The County used to have an Executive audit function that could respond to audit-related concerns and follow up on issues raised by the State Auditor. This function was gradually eliminated and the last temporary position doing this work expires in late 2011. Rather than adding staff, the Executive is

proposing to contract with an outside audit firm to provide on-call services. This provides the County with flexibility and access to a wider range of expertise than one individual can offer.

Other Issues

There are a few other issues that are implicitly reflected in the 2012 Proposed Budget but are not readily identifiable in individual agency budgets. These include:

1. Sale of the North Kingdome Lot. King County owns the property that used to serve as the north parking lot for the Kingdome, a multi-purpose facility that was imploded in 2000. The County has reached an agreement with a private developer to build a mixed-use development on the site, and this transaction is expected to close in the fall of 2011. A separate appropriations ordinance was sent with the 2012 Proposed Budget to suggest how the \$10 million in sale proceeds should be used. The Executive's proposal is to allocate these for one-time capital costs, several of which are technology investments that will generate future operational savings.
2. 2011 Criminal Justice Reserve. The County Council established a \$1.5 million reserve in the 2011 Adopted Budget to respond to emergent criminal justice needs. In August 2011, the County Council and Executive worked with the separately elected criminal justice officials to identify a spending plan for these funds. This plan focused on a variety of job training, intervention, and public safety programs to deal with an expanding gang problem in south King County. Some of the funds were appropriated through a supplemental 2011 ordinance and the 2012 Proposed Budget appropriates the remaining funds consistent with the agreed-upon plan.
3. Dolan Case. On August 18, 2011, the State Supreme Court issued a 5-4 ruling in the case of Dolan v. King County. Mr. Dolan is an attorney employed by one of the four agencies that provide public defense services in King County cases under contract. The Court ruled that Mr. Dolan and other members of the class were employees of King County for purposes of membership in the State's Public Employees Retirement System. The County is seeking reconsideration of this ruling. The 2012 Proposed Budget includes reserves to implement the decision prospectively if needed.

Equity and Social Justice

King County's population is increasing in racial, economic and language diversity particularly among children and youth. While we have seen progress in many indicators for the County as a whole, differences in opportunities and well-being between and within communities have persisted over time and in some cases they have increased. In King County, people of color, low income residents and ethnic groups who have limited English proficiency are more likely to experience racism, underemployment, low education, poor health outcomes, incarceration, and loss of opportunity.

Through adoption of the King County Strategic Plan 2010-2014: Working Together for One King County, King County has transformed its work on equity and social justice from an initiative to an integrated effort that applies the county Strategic Plan's guiding principle of 'fair and just' intentionally in all the County does in order to achieve equitable opportunities for all people and communities. In October of 2010, Ordinance 16948 was adopted to establish common language and definitions and direct implementation steps related to achievement of the fair and just principle. These ordinances integrate equity and social justice practices into the county's strategic, operational and business plans; management and reporting systems for accountability and performance; and budgets.

To implement the King County Strategic Plan and achieve 2012 Executive priorities, all agencies were asked to identify how they are addressing the 14 determinants of equity in their Business Plans. Agencies are also asked to address the potential impact of proposed budget changes on low-income communities, communities of color, or communities with limited English proficiency in both the Business Plan narrative and the agency budget proposal.

Determinants of equity are the social, economic, geographic, political and physical conditions in which people in our county live, learn, work and play that lead to the creation of a fair and just society. Access to the determinants of equity is necessary for all people, regardless of race, class, or language spoken, to have opportunities to reach their full potential. Inequities are created when barriers exist that prevent individuals and communities from accessing these conditions and reaching their full potential.

Determinants of equity include:

1. **Equity in County practices** that eliminates all forms of discrimination in county activities in order to provide fair treatment for all employees, contractors, clients, community partners, residents and others who interact with King County;
2. **Availability of job training and jobs** with sufficient income for the purchase of basic necessities;
3. **Community economic development** that supports local ownership of assets, including homes and businesses, and assures fair access to business development and business retention opportunities;
4. **Affordable, quality, healthy housing** for all people;
5. **Early childhood development** that supports nurturing relationships and early learning opportunities that promote school readiness for all children;
6. **Quality education** that allows each student to reach his or her full learning and career potential;
7. **Healthy built and natural environments;**
8. **Access to community and public safety;**
9. **Equitable law and justice system** with equitable access and fair treatment for all;
10. **Strong, vibrant neighborhoods;**
11. **Access to all modes of safe, efficient transportation;**
12. **Access to food systems** that support local food production and provide access to affordable, healthy, and culturally appropriate foods;
13. **Access to parks and natural resources;** and,
14. **Access to quality, affordable health and human services.**

King County government has direct influence on some conditions such as an equitable law and justice system and safe, efficient transportation. Other conditions require partnerships with community partners and other jurisdictions at the local, state and federal levels to assure fairness and opportunity for all people and communities.

This budget applied an equity lens throughout all stages of development. The following are three major thematic areas with examples drawn from the 2012 Proposed Budget and business plans where equity was considered intentionally:

Equity in Organizational Practices

- **Workforce Equity** – Wastewater Treatment will offer internships for low income youth to increase potential diversity of the workforce. The Prosecuting Attorney's Office launched the Norm Maleng Intern Program, for high school students, many of whom are students of color and from immigrant families. The program offers youth interns valuable, practical work experience in a law firm and an opportunity to experience positive exposure to the criminal justice system and to spark their interest

in criminal justice issues, including Civil Rights. The Sheriff's Office proposes to provide justice-based policing training using the Listen and Explain with Equity and Respect program.

- ***Procurement/Contracting Equity*** – the Procurement Reform Initiative is a two-year effort that was launched by Executive Order in March, 2010. The primary goal is to identify and implement reforms to reduce process cycle time and increase opportunities for small business. Actions to achieve the reform's goals are based on the input of community interest groups and individuals, as well as collaboration from every county department.
- ***Community/Public Engagement*** – to inform program decisions that include clients and organizational or other jurisdiction partners – King County departments' and agencies have considered cultural and linguistic issues in translated websites and outreach activities. For example, the Solid Waste Division will conduct public outreach with affected communities in siting two new transfer stations. The Department of Transportation plans to use culturally and linguistically appropriate community engagement for Link Light Rail and ORCA card outreach. The Elections Office plans to conduct voter outreach and education using translated materials and ballots.

Budget Decisions Related to Equity Concerns and Prevention Opportunities

- The Parks Division will enhance its White Center Teen Program, youth soccer and basketball program in White Center, a diverse and low income urban unincorporated area of the County.
- The Executive created a \$1 million grant fund in DCHS for community groups and organizations to propose small, one-time investments supporting quality improvement in human service programs and services, which will focus on low-income, immigrant and refugee communities.
- The Sheriff's Office will re-open the Skyway and White Center storefronts in response to community concerns in these diverse and low income unincorporated communities.

BUDGET PLANNING ASSUMPTIONS

The 2012 King County Budget is built using the following assumptions:

2011 Service Levels Adjusted for 2012 Costs and Central Rates. The majority of budgets include a change item that adjusts the 2011 Adopted Budget to incorporate technical changes to select operating and labor costs. This also includes the removal of one-time expenditures and annualizes any partial-year expenditures. These changes are identified under change item SQ01. Each budget also includes central rate adjustments, measured from the 2011 Adopted budget to the 2012 Proposed. Salary updates, medical benefit increases, and retirement rate increases, as detailed below, are included in the central rate adjustments.

Salaries. In 2012, all departments have salary and wage adjustments for COLA and merit budgeted in each appropriation unit. The 2012 COLA is projected to be 1.63 percent. Most budgets also include appropriation for merit, longevity increases, and other salary adjustments.

Medical Benefits. The County has a flexible benefit package, which offers employees several options for coverage and providers. All of the benefit costs are accounted for in the Employee Benefits Fund, which then recovers its costs through a single standard monthly rate charged to agencies for each eligible employee. The standard rate adopted in 2011 was \$1,343 per employee per month. Actuarial projections used during the setting of the 2011 rate proved to be conservative. Changes in plan design and actions taken by employees to improve their health led to significant cost savings. Updated claims data indicate lower than expected expenditures in 2010 and 2011, while revised actuarial forecasts show a lower rate of anticipated growth in the outyears. This has resulted in the entire 2011 flexrate increase being rebated to County agencies in the fourth quarter of 2011. The 2012 Benefits rate is set at \$1,290 per employee per month, an 8 percent increase from the 2011 effective rate. This comports with expectations of 8 percent growth in benefits costs in the outyears.

PERS and LEOFF Retirement Rate. The 2012 Proposed Budget reflects an employer contribution rate of 7.25 percent for PERS, and 5.24 percent for LEOFF II. These rates are higher than the rates included in the 2010 Adopted Budget and result in total expected retirement contributions of \$69.5 million. The PERS contribution rate is projected to increase to approximately 12.8 percent in 2013 and 10.7 percent in 2014. These rate increases have been factored into the projected out year forecast for the General Fund and other major funds.

General Fund Underexpenditure. In the 2012 proposed budget, the required underexpenditure rate for the majority of General Fund agencies is equal to 2 percent of expenditures that are not backed by specific contractual revenues. 1.5 percent of the required underexpenditure has been reduced from GF operating budgets to directly budget for assumed underexpenditure levels. A remaining central contra of one half of one percent is held in the GF Financial Plan, for a total assumption of 2 percent. Departments are expected to manage their appropriations to achieve the underexpenditure. An additional 0.5 percent underexpenditure for all GF budgets is included in the financial plan to reflect historical trends.

KING COUNTY STRATEGIC PLAN

WHAT WE DELIVER GOAL AREA				HOW WE DELIVER GOAL AREA
JUSTICE AND SAFETY	HEALTH AND HUMAN POTENTIAL	ECONOMIC GROWTH AND BUILT ENVIRONMENT	ENVIRONMENTAL SUSTAINABILITY	HOW WE DELIVER
Support safe communities and accessible justice systems for all.	Provide opportunity for all communities and individuals to realize their full potential.	Encourage a growing and diverse King County economy and vibrant, thriving, and sustainable communities.	Safeguard and enhance King County's natural resources and environment.	Establish service excellence, exercise sound financial stewardship, promote robust public engagement, and develop a quality workforce.
Adult & Juvenile Detention	Children & Family Services	Airport	Natural Resources & Parks Administration	Assessments
AFIS	Community Services	Cultural Development	Noxious Weed Control	Administrative Agencies
District Court	Developmental Disabilities	Development and Environmental Services	Solid Waste Operating	Business Resource Center
E-911	Emergency Medical Services	DOT Director's Office	Solid Waste Post Closure Landfill Maintenance	County Executive Agencies
Emergency Management	Human Services Admin	Employment and Education Resources	Surface Water Mgmt Local Drainage Services	Elections
Inmate Welfare	Human Services GF Transfer	Federal Housing & Community Development	Wastewater Treatment	Executive Services
Jail Health	Human Services Levy	Flood Control	Water and Land Resources Shared Services	Facilities Management
Judicial Administration	Local Hazardous Waste	Marine Division		Finance & Business Operations
Prosecuting Attorney	Medical Examiner	Parks & Recreation		Fleet
Public Defense	Mental Health, Chemical Abuse & Dependency Svcs	River Improvement		Human Resources
Radio Communications	Public Health	Roads Services		Independent Agencies
Sheriff's Office	Public Health GF Transfers	Stormwater Decant		King County Information Technology
Superior Court	Veterans' Services & Levy	Transit		Legislative Agencies
		Youth Sports Facility Grant		Records & Licensing Services

Note: For presentation purposes, not all appropriations units are delineated.

Debt Service and Capital Improvement Programs are listed in separate sections of the Budget Book.

**Summary Comparison of 2012 Appropriations by Strategic Plan Category
All Resources**

STRATEGIC PLAN CATEGORY	2010 ADOPTED	2011 ADOPTED	2012 PROPOSED	2012 - 2011	
				\$ CHANGE	% CHANGE
JUSTICE AND SAFETY	536,374,179	531,387,504	552,402,615	21,015,111	4%
HEALTH AND HUMAN POTENTIAL	624,730,229	640,332,022	625,590,183	(14,741,839)	-2%
ECONOMIC GROWTH AND BUILT ENVIRONMENT*	1,830,878,191	1,825,669,306	1,974,646,508	148,977,202	8%
ENVIRONMENTAL SUSTAINABILITY	264,471,154	267,368,851	275,330,950	7,962,099	3%
HOW WE DELIVER	622,843,543	636,000,923	662,395,628	26,394,705	4%
TOTAL OPERATING	3,879,297,296	3,900,758,606	4,090,365,884	189,607,278	5%
DEBT SERVICE	370,594,348	383,745,774	488,372,359	104,626,585	27%
CAPITAL IMPROVEMENT*	751,351,305	847,611,677	832,729,004	(14,882,673)	-2%
Remove Double Counts**	(187,869,508)	(187,339,962)	(114,190,937)	73,149,025	
TOTAL	4,813,373,441	4,944,776,095	5,297,276,310	352,500,215	7%

*Includes 2012/2013 Biennial Budget for Department of Transportation and DDES.

**Double Count category includes GF Transfers, CFS Transfers, Airport and Road Construction Transfers.

**Summary Comparison of 2012 Appropriations by Strategic Plan Category
for the General Fund**

As Reconciled to the General Fund Financial Plan

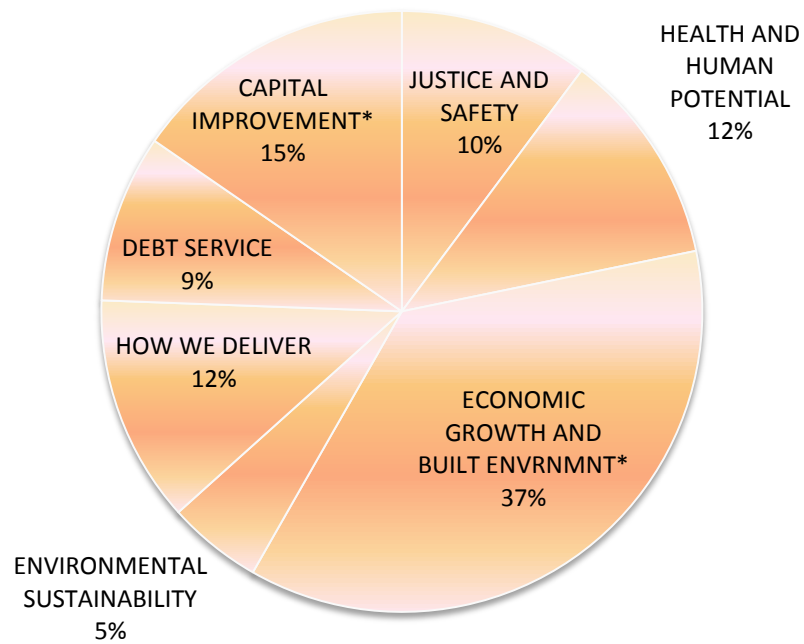
STRATEGIC PLAN CATEGORY	2010 ADOPTED	2011 ADOPTED	2012 PROPOSED	2012 - 2011	
				\$ CHANGE	% CHANGE
JUSTICE AND SAFETY	480,407,959	478,144,845	495,131,954	16,987,109	4%
HEALTH AND HUMAN POTENTIAL	27,424,616	25,091,260	27,048,233	1,956,973	8%
EGBE GF TRANSFERS	2,390,130	2,456,339	2,321,804	(134,535)	-5%
HOW WE DELIVER	110,115,742	106,580,892	117,952,160	11,371,268	11%
GF TRANSFERS TO CIP	8,826,034	9,007,712	10,726,167	1,718,455	19%
TOTAL GENERAL FUND*	629,164,481	621,281,048	653,180,318	31,899,270	5%
GF Underexpenditure Assumption	(2,798,814)	(1,983,440)	(5,101,603)	(3,118,163)	157%
Total General Fund *	\$ 626,365,667	\$ 619,297,608	\$ 648,078,715	\$ 28,781,107	5%

Inmate Welfare Fund for 2010 and prior years is included under Justice and Safety Strategic Plan Category.

*The financial plan centrally held underexpenditure assumption is approximately .8% of expenditures in 2012.

Distribution of 2012 Expenditures by Strategic Plan Category

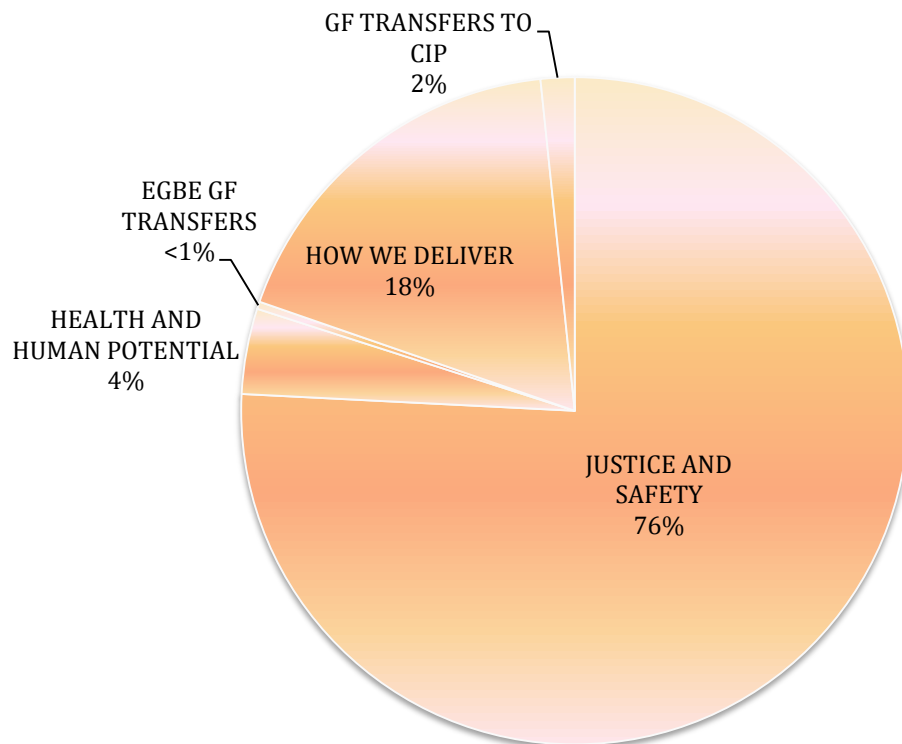
All Funds \$5.3 Billion



*Includes 2012/2013 Biennial Budgets for DOT and DDES.

Distribution of 2012 Expenditures by Strategic Plan Category General Fund

\$648.1 Million



**Expenditures by Strategic Area, Appropriation Unit
General Fund**

STRATEGIC PLAN/APPROPRIATION	2010 ADOPTED	2011 ADOPTED	2012 PROPOSED	AMOUNT OF CHANGE	PERCENT CHANGE
JUSTICE AND SAFETY					
ADULT AND JUVENILE DETENTION	\$ 126,572,988	\$ 126,871,483	\$ 130,152,053	3,280,570	3%
DISTRICT COURT	26,243,059	27,410,038	27,451,186	41,148	0%
DRUG ENFORCEMENT FORFEITS	861,174	1,091,572	1,138,037	46,465	4%
INMATE WELFARE - ADULT	922,144	1,132,412	1,163,877	31,465	3%
INMATE WELFARE - JUVENILE	6,900	5,000	5,000	-	0%
JAIL HEALTH SERVICES	24,662,824	24,722,964	25,409,575	686,611	3%
JUDICIAL ADMINISTRATION	18,738,872	18,863,639	19,061,595	197,956	1%
OFFICE OF EMERGENCY MANAGEMENT	1,315,793	1,357,979	1,933,695	575,716	42%
OFFICE OF THE PUBLIC DEFENDER	37,232,246	37,499,169	41,627,295	4,128,126	11%
PROSECUTING ATTORNEY ANTIPROFITEERING	119,897	119,897	119,897	-	0%
PROSECUTING ATTORNEY	56,415,164	56,439,180	58,718,143	2,278,963	4%
SECURITY SCREENERS	2,500,592	-	-	-	N/A
SHERIFF	142,105,525	138,578,129	143,823,142	5,245,013	4%
SUPERIOR COURT	42,710,781	44,053,383	44,528,459	475,076	1%
TOTAL JUSTICE AND SAFETY	480,407,959	478,144,845	495,131,954	16,987,109	4%
HEALTH AND HUMAN POTENTIAL					
HUMAN SERVICES GF TRANSFERS	849,151	626,283	2,006,283	1,380,000	220%
PUBLIC HEALTH GF TRANSFERS	26,575,465	24,464,977	25,041,950	576,973	2%
TOTAL HEALTH AND HUMAN POTENTIAL	27,424,616	25,091,260	27,048,233	1,956,973	8%
EGBE GF TRANSFERS					
EGBE GF TRANSFERS	2,390,130	2,456,339	2,321,804	(134,535)	-5%
TOTAL PARKS AND DDES GF TRANSFER	2,390,130	2,456,339	2,321,804	(134,535)	-5%
HOW WE DELIVER					
ASSESSMENTS	20,018,180	21,243,286	21,778,926	535,640	3%
BOARD OF APPEALS	704,407	675,082	709,278	34,196	5%
BOUNDARY REVIEW BOARD	328,012	336,789	352,487	15,698	5%
CABLE COMMUNICATIONS	329,641	297,723	304,509	6,786	2%
COUNCIL ADMINISTRATION	8,361,400	11,075,157	12,450,980	1,375,823	12%
COUNTY AUDITOR	1,576,130	1,530,258	1,639,308	109,050	7%
COUNTY COUNCIL	5,357,694	2,390,220	1,587,015	(803,205)	-34%
COUNTY EXECUTIVE	322,596	327,411	243,932	(83,479)	-25%
DISTRICTING COMMITTEE	-	280,000	25,000	(255,000)	-91%
ELECTIONS	18,440,771	17,655,974	19,957,022	2,301,048	13%
EXECUTIVE CONTINGENCY	100,000	100,000	-	(100,000)	-100%
EXECUTIVE SERVICES - ADMINISTRATION	2,839,068	3,249,777	3,519,464	269,687	8%
FEDERAL LOBBYING	368,000	368,000	368,000	-	0%
FINANCE - GF	3,902,998	2,830,672	-	(2,830,672)	-100%
GENERAL GOVERNMENT GF TRANSFERS	940,893	3,073,373	3,283,799	210,426	7%
HEARING EXAMINER	608,059	558,696	549,243	(9,453)	-2%
HUMAN RESOURCES MANAGEMENT	8,345,572	5,284,671	5,722,405	437,734	8%
INTERNAL SUPPORT	7,782,733	8,424,002	15,233,363	6,809,361	81%
KING COUNTY CIVIC TELEVISION	625,502	563,909	577,574	13,665	2%
MEMBERSHIPS AND DUES	426,757	161,250	602,204	440,954	273%
OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS	308,902	345,604	359,280	13,676	4%
OFFICE OF LABOR RELATIONS	-	2,077,697	2,260,772	183,075	9%
OFFICE OF LAW ENFORCEMENT OVERSIGHT	357,042	335,344	354,531	19,187	6%
OFFICE OF PERFORMANCE, STRATEGY AND BUDGET	4,299,664	6,521,872	7,104,511	582,639	9%
OFFICE OF STRATEGIC PLANNING AND PERFORMANCE MGMT	3,587,019	-	-	-	N/A
OFFICE OF THE COUNTY EXECUTIVE	3,635,504	3,665,744	4,257,373	591,629	16%
OMBUDSMAN/TAX ADVISOR	1,146,556	1,214,740	1,133,492	(81,248)	-7%
REAL ESTATE SERVICES	3,667,343	3,667,229	3,798,707	131,478	4%
RECORDS AND LICENSING SERVICES	10,928,072	7,519,116	8,906,813	1,387,697	18%
STATE AUDITOR	807,227	807,296	872,172	64,876	8%
CIP GF TRANSFERS	8,826,034	9,007,712	10,726,167	1,718,455	19%
TOTAL HOW WE DELIVER	118,941,776	115,588,604	128,678,327	13,089,723	11%
TOTAL GENERAL FUND	\$ 629,164,481	\$ 621,281,048	\$ 653,180,318	31,899,270	5%

Security Screeners moved organizationally into the Sheriff for 2011.

Expenditures by Strategic Plan Category, Appropriation Unit
Non General Funds

STRATEGIC PLAN APPROPRIATION	2010 ADOPTED	2011 ADOPTED	2012 PROPOSED	AMOUNT OF CHANGE	PERCENT CHANGE
JUSTICE AND SAFETY					
ADULT AND JUVENILE DETENTION MIDD	\$ 406,000	\$ 406,000	\$ 329,464	(76,536)	-19%
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM	19,543,153	15,950,438	15,839,472	(110,966)	-1%
DISTRICT COURT MIDD	629,857	964,832	983,689	18,857	2%
ENHANCED-911	24,567,644	23,766,745	27,252,923	3,486,178	15%
JAIL HEALTH SERVICES MIDD	3,115,024	3,250,372	3,313,545	63,173	2%
JUDICIAL ADMINISTRATION MIDD	1,410,471	1,465,587	1,467,595	2,008	0%
OFFICE OF PUBLIC DEFENDER MIDD	1,404,222	1,797,396	1,817,183	19,787	1%
PROSECUTING ATTORNEY MIDD	899,137	1,149,646	1,155,620	5,974	1%
RADIO COMMUNICATION SERVICES	2,888,969	3,027,843	3,379,298	351,455	12%
SHERIFF MIDD	186,746	164,475	168,075	3,600	2%
SUPERIOR COURT MIDD	914,997	1,299,325	1,563,797	264,472	20%
TOTAL JUSTICE AND SAFETY	55,966,220	53,242,659	57,270,661	4,028,002	8%
HEALTH AND HUMAN POTENTIAL					
CFS COMMUNITY SVCS-OPERATING	5,439,408	5,413,256	4,772,840	(640,416)	-12%
CFS T/T COMMUNITY&HUMAN SVCS	1,626,371	1,442,873	3,714,101	2,271,228	157%
COMMUNITY AND HUMAN SERVICES ADMINISTRATION	2,819,792	6,461,293	7,277,360	816,067	13%
DEVELOPMENTAL DISABILITIES	26,601,025	28,379,501	27,421,079	(958,422)	-3%
EMERGENCY MEDICAL SERVICES	66,585,574	68,802,602	71,347,000	2,544,398	4%
HUMAN SERVICES LEVY	14,174,179	10,709,151	9,293,807	(1,415,344)	-13%
LOCAL HAZARDOUS WASTE	14,293,130	14,908,204	15,129,607	221,403	1%
MEDICAL EXAMINER	4,461,662	4,692,125	4,720,080	27,955	1%
MENTAL HEALTH AND SUBSTANCE ABUSE MIDD	4,900,207	4,979,122	5,012,727	33,605	1%
MENTAL ILLNESS AND DRUG DEPENDENCY	38,670,051	40,809,577	41,023,077	213,500	1%
MHCADS - ALCOHOLISM AND SUBSTANCE ABUSE	28,365,656	30,731,877	28,226,707	(2,505,170)	-8%
MHCADS - MENTAL HEALTH	181,260,652	174,417,973	168,760,427	(5,657,546)	-3%
PUBLIC HEALTH	193,042,505	208,544,702	198,918,179	(9,626,523)	-5%
VETERANS & FAMILY LEVY	12,285,228	12,181,323	9,863,770	(2,317,553)	-19%
VETERANS SERVICES	2,780,173	2,767,183	3,061,189	294,006	11%
TOTAL HEALTH AND HUMAN POTENTIAL	597,305,613	615,240,762	598,541,950	(16,698,812)	-3%
ECONOMIC GROWTH AND BUILT ENVIRONMENT					
EXPANSION LEVY	18,424,234	19,194,402	19,493,105	298,703	2%
AIRPORT CONSTRUCTION TRANSFER*	8,500,000	8,500,000	7,700,000	(800,000)	-9%
AIRPORT*	28,315,564	28,315,564	29,709,006	1,393,442	5%
DDES ABATEMENTS*	"0"	"0"	556,042	-	N/A
DEVELOPMENT AND ENVIRONMENTAL SERVICES*	21,893,985	19,249,770	29,897,421	10,647,651	55%
DOT DIRECTOR'S OFFICE*	26,581,928	26,581,928	11,810,072	(14,771,856)	-56%
EMPLOYMENT AND EDUCATION RESOURCES	12,082,888	10,361,128	11,353,332	992,204	10%
FEDERAL HOUSING AND COMMUNITY DEVELOPMENT	21,268,410	20,868,971	18,895,115	(1,973,856)	-9%
INTER-COUNTY RIVER IMPROVEMENT	50,000	50,000	50,000	-	0%
KC FLOOD CONTROL CONTRACT	35,587,657	34,602,422	34,773,830	171,408	0%
MARINE DIVISION*	18,427,469	18,427,469	28,002,082	9,574,613	52%
PARKS AND RECREATION	27,825,262	29,184,939	30,539,214	1,354,275	5%
RIVER IMPROVEMENT	15,000	64,000	-	(64,000)	-100%
ROADS CONSTRUCTION TRANSFER*	72,397,784	72,397,784	59,396,833	(13,000,951)	-18%
ROADS*	179,386,288	179,386,288	155,027,751	(24,358,537)	-14%
STORMWATER DECANT PRGM*	1,236,737	1,236,737	724,719	(512,018)	-41%
TIGR MT COMM FND RES ACCT	20,000	-	"0"	-	N/A
TRANSIT REVENUE VEHICLE REPLACEMENT*	135,099,610	135,099,610	204,279,532	69,179,922	51%
TRANSIT*	1,208,870,057	1,208,870,057	1,316,314,891	107,444,834	9%
YOUTH SPORTS FACILITIES GRANT	615,352	825,368	771,363	(54,005)	-7%
TOTAL ECONOMIC GROWTH AND BUILT ENVIRONMENT	1,816,598,225	1,813,216,437	1,959,294,308	146,077,871	8%
ENVIRONMENTAL SUSTAINABILITY					
CULTURAL DEVELOPMENT AUTHORITY	11,889,836	9,996,530	13,030,396	3,033,866	30%
HISTORIC PRESERVATION PROGRAM	-	456,339	461,500	5,161	1%
NATURAL RESOURCES AND PARKS ADMINISTRATION	6,139,487	6,329,393	5,820,640	(508,753)	-8%
NOXIOUS WEED CONTROL PROGRAM	1,727,817	1,929,735	1,861,772	(67,963)	-4%
SOLID WASTE POST-CLOSURE LANDFILL MAINTENANCE	3,781,330	2,589,377	2,826,439	237,062	9%
SOLID WASTE	93,836,562	90,870,414	96,731,761	5,861,347	6%
SWM LOCAL DRAINAGE SVCS	23,047,852	25,642,779	22,054,170	(3,588,609)	-14%
WASTEWATER TREATMENT	108,872,937	111,115,816	116,620,203	5,504,387	5%
WATER & LAND RES SHARED SVCS	27,065,169	28,434,998	28,954,465	519,467	2%
TOTAL ENVIRONMENTAL SUSTAINABILITY	276,360,990	277,365,381	288,361,346	10,995,965	4%
HOW WE DELIVER					
ARRA BYRNE JUSTICE ASST GRANT	1,179,446	-	-	-	N/A
BYRNE JUSTICE ASST FFY09 GRANT	279,502	-	-	-	N/A
2010 BYRNE JUSTICE ASSIST	-	305,931	-	(305,931)	-100%
FFY11 BYRNE JUSTICE ASST GRANT	-	-	242,692	242,692	N/A

**Expenditures by Strategic Plan Category, Appropriation Unit
Non General Funds**

STRATEGIC PLAN	2010	2011	2012	AMOUNT OF	PERCENT
APPROPRIATION	ADOPTED	ADOPTED	PROPOSED	CHANGE	CHANGE
ANIMAL BEQUEST	-	200,000	200,000	-	0%
BUSINESS RESOURCE CENTER	-	4,122,739	8,652,978	4,530,239	110%
CITIZEN COUNCILOR NETWORK	137,098	140,511	138,440	(2,071)	-1%
DES IT EQUIPMENT REPLACEMENT	468,272	374,695	364,087	(10,608)	-3%
EMPLOYEE BENEFITS	221,547,877	243,235,732	225,069,445	(18,166,287)	-7%
EQUIPMENT REPAIR AND REPLACEMENT*	27,224,886	27,224,886	26,644,796	(580,090)	-2%
FACILITIES MGMT INTERNAL SERVICE	46,808,611	47,465,129	45,930,125	(1,535,004)	-3%
FINANCE AND BUSINESS OPERATIONS	30,320,217	28,606,239	26,846,212	(1,760,027)	-6%
GEOGRAPHIC INFORMATION SYSTEMS	4,382,631	4,572,242	5,405,053	832,811	18%
GRANTS FUND	32,306,755	21,257,683	19,438,407	(1,819,276)	-9%
I-NET OPERATIONS	3,406,106	2,924,237	2,901,537	(22,700)	-1%
KCIT STRATEGY AND PERFORMANCE	6,198,129	4,039,792	3,822,801	(216,991)	-5%
MOTOR POOL EQUIPMENT RENTAL AND REVOLVING*	25,298,387	25,298,387	25,417,441	119,054	0%
OMB/2006 FUND	250,000	50,000	-	(50,000)	-100%
OMB/DUNCAN/ROBERTS LAWSUIT ADMINISTRATION	243,059	50,000	-	(50,000)	-100%
RECORDER'S OPERATION AND MAINTENANCE	2,769,191	2,089,001	2,234,703	145,702	7%
REGIONAL ANIMAL SERVICES OF KING COUNTY	-	6,983,091	6,813,225	(169,866)	-2%
RISK MANAGEMENT	25,917,173	27,006,526	27,940,468	933,942	3%
SAFETY AND CLAIMS MANAGEMENT	35,685,728	36,944,719	36,817,841	(126,878)	0%
KCIT SERVICES	27,499,996	26,308,163	60,403,976	34,095,813	130%
TELECOMMUNICATIONS	2,593,582	1,827,495	-	(1,827,495)	-100%
WASTEWATER EQUIPMENT RENTAL AND REVOLVING*	9,385,121	9,385,121	8,433,074	(952,047)	-10%
TOTAL HOW WE DELIVER	503,901,767	520,412,319	533,717,301	13,304,982	3%
DEBT SERVICE					
LIMITED G.O. BOND REDEMPTION FUND	161,518,519	170,553,723	252,677,456	82,123,733	48%
STADIUM G.O. BOND REDEMPTION FUND	5,732,006	1,908,738	1,834,750	(73,988)	-4%
UNLIMITED G.O. BOND REDEMPTION FUND	24,774,477	22,655,600	22,240,250	(415,350)	-2%
WASTEWATER TREATMENT DEBT SERVICE	178,569,346	188,627,713	211,619,903	22,992,190	12%
TOTAL DEBT SERVICE	370,594,348	383,745,774	488,372,359	104,626,585	27%
CAPITAL IMPROVEMENT PROGRAM					
CAPITAL IMPROVEMENT PROGRAM	105,567,758	111,258,301	145,913,825	34,655,524	31%
TRANSFERS TO OPERATING	65,270,621	65,270,621	-	(65,270,621)	-100%
MAJOR MAINTENANCE CAPITAL IMPROVEMENT PROGRAM	10,290,752	15,087,392	9,053,819	(6,033,573)	-40%
PUBLIC TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM*	167,160,580	167,160,580	361,845,886	194,685,306	116%
ROADS CAPITAL IMPROVEMENT PROGRAM*	246,818,243	246,818,243	91,759,000	(155,059,243)	-63%
SOLID WASTE CAPITAL IMPROVEMENT PROGRAM	54,330,866	(5,814,821)	3,482,109	9,296,930	-160%
SURFACE WATER CAPITAL IMPROVEMENT PROGRAM	9,919,231	17,063,244	8,742,223	(8,321,021)	-49%
WASTEWATER CAPITAL IMPROVEMENT PROGRAM	91,993,254	230,768,117	211,932,142	(18,835,975)	-8%
TOTAL CAPITAL IMPROVEMENT PROGRAM	751,351,305	847,611,677	832,729,004	(14,882,673)	-2%
TOTAL NON-GENERAL FUNDS	4,372,078,468	4,510,835,009	4,758,286,929	247,173,899	5%
TOTAL ALL FUNDS	\$ 5,001,242,949	\$ 5,132,116,057	\$ 5,411,467,247	279,351,190	5%

*The Departments of Transportation, and Development and Environmental Services include biennial budget for 2012/2013.

2012 Budgets by Agency All Funds

Agency or Department	Expenditures	Revenues	FTEs	TLPs
Elected Agencies				
Assessor	21,778,926	15,725	212.00	-
District Court	28,434,875	17,640,529	252.00	-
Elections	19,957,022	7,547,899	64.00	2.25
Legislative Agencies	18,646,890	-	143.00	4.00
Prosecuting Attorney	59,993,660	17,736,017	471.15	8.00
Sheriff	160,968,726	88,809,720	1,058.80	5.00
Superior Court	46,092,256	5,162,116	376.60	-
Total Elected Agencies	355,872,355	136,912,006	2,577.55	19.25
Executive Agencies				
County Executive	13,866,588	454,387	89.50	0
Adult and Juvenile Detention	131,650,394	34,249,561	936.50	0
Community & Human Services	382,120,009	338,274,398	301.48	6.00
DDES*	30,453,463	28,782,000	95.60	3.00
Executive Services	432,100,504	880,105,283	827.59	11.66
KCIT Information Technology	76,581,261	78,295,731	401.25	5.00
Judicial Administration**	20,529,190	12,231,726	214.00	0
Natural Resources & Parks	360,496,962	614,021,985	1,471.76	13.75
Public Health	318,837,986	279,343,238	1,384.97	34.65
Transportation*	1,873,460,197	1,766,133,755	4,598.56	33.70
Total Executive Agencies	3,640,096,554	4,031,892,064	10,321.21	107.76
Other Agencies				
Administrative Offices	15,132,306	13,150,950	9.60	-
Independent Offices	35,884,666	19,681,099	63.10	7.00
General Fund Transfers	43,380,003	-	-	-
Total Other Agencies	94,396,975	32,832,049	72.70	7.00
Debt Service Funds	488,372,359	277,053,867	-	-
Capital Improvement Programs	832,729,004	832,729,004	-	-
Total King County	5,411,467,247	5,311,418,990	12,971.46	134.01

*Includes a Biennial Budget for the 2012/2013 Proposed Budget.

**Dual reporting with Superior Court and Executive.

**Full-Time Equivalents Positions (FTEs) by Agency or Department
All Funds**

Agency or Department	2010 Adopted	2011 Adopted	2012 Proposed	FTE Change 2012-2011	% Change
Elected Agencies					
Assessor	224	208	212	4	2%
District Court	257	253	252	(1)	0%
Elections	63	62	64	2	3%
Legislative Agencies	153	143	143	-	0%
Prosecuting Attorney	488	467	471	4	1%
Sheriff	1,119	1,096	1,059	(37)	-3%
Superior Court	388	384	377	(8)	-2%
Total Elected Agencies	2,691	2,613	2,578	(35)	-1%
Executive Agencies					
County Executive	81	86	90	4	5%
Adult and Juvenile Detention	1,007	952	937	(15)	-2%
Community & Human Services	332	332	301	(31)	-9%
Development & Environmental Services*	148	117	96	(21)	-18%
Executive Services	867	823	828	4	1%
King County Information Technology	206	196	401	205	105%
Judicial Administration**	229	216	214	(2)	-1%
Natural Resources & Parks	1,541	1,528	1,472	(56)	-4%
Public Health	1,551	1,492	1,385	(107)	-7%
Transportation*	4,851	4,852	4,599	(253)	-5%
Total Executive Agencies	10,812	10,592	10,321	(271)	-3%
Other Agencies					
Administrative Offices	74	73	63	(9)	-13%
Independent Offices	10	10	10	-	0%
Total Other Agencies	83	82	73	(9)	-12%
Total King County	13,587	13,287	12,971	(315)	-2%

*Reflects the 2012/2013 Biennial Budget.

**2012 Revenues and Expenditures
By Fund**

TITLE	REVENUES	EXPENDITURES	DIFFERENCE
GENERAL FUND	\$ 644,174,486	\$ 652,011,441	\$ (7,836,955)
INMATE WELFARE FUND	1,000,000	1,168,877	(168,877)
ROAD FUND*	213,534,463	215,149,303	(1,614,840)
SOLID WASTE POST CLOSURE LANDFILL MAINTENANCE FUND	79,163	2,826,439	(2,747,276)
VETERANS RELIEF SERVICES FUND	2,794,760	3,061,189	(266,429)
DEVELOPMENTAL DISABILITIES FUND	33,177,519	34,698,439	(1,520,920)
RECORDER'S OPERATION AND MAINTENANCE FUND	1,461,303	2,234,703	(773,400)
E-911 FUND	22,659,724	27,252,923	(4,593,199)
MENTAL HEALTH FUND	170,025,651	168,760,427	1,265,224
MENTAL ILLNESS AND DRUG DEPENDENCY FUND	45,989,497	56,834,772	(10,845,275)
VETERANS AND FAMILY LEVY	7,871,954	9,863,770	(1,991,816)
HUMAN SERVICES LEVY	7,821,090	9,293,807	(1,472,717)
ARTS AND CULTURAL DEVELOPMENT FUND	13,030,396	13,030,396	-
EMERGENCY MEDICAL SERVICE FUND	60,230,680	71,347,000	(11,116,320)
WATER AND LAND RESOURCES SHARED SERVICES FUND	28,598,656	28,954,465	(355,809)
SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES FUND	21,927,303	22,054,170	(126,867)
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM FUND	11,716,791	15,839,472	(4,122,681)
CITIZEN COUNCILOR REV FND	118,554	138,440	(19,886)
ALCOHOLISM AND SUBSTANCE ABUSE FUND	28,335,856	28,226,707	109,149
LOCAL HAZARDOUS WASTE FUND	15,159,219	15,129,607	29,612
YOUTH SPORTS FACILITIES GRANTS FUND	728,000	771,363	(43,363)
NOXIOUS WEED FUND	1,754,164	1,861,772	(107,608)
DEVELOPMENT AND ENVIRONMENTAL SERVICES FUND*	28,782,000	30,453,463	(1,671,463)
CHILDREN AND FAMILY SERVICES FUND	8,206,542	8,486,941	(280,399)
ANIMAL SERVICES FUND	7,005,542	6,813,225	192,317
ANIMAL BEQUEST FUND	200,000	200,000	-
PARKS OPERATING LEVY FUND	26,878,972	30,539,214	(3,660,242)
OPEN SPACE TRAILS AND ZOO LEVY	19,493,105	19,493,105	-
HISTORIC PRESERVATION FUND	461,500	461,500	-
KING COUNTY FLOOD CONTROL CONTRACT FUND	34,773,830	34,773,830	-
MARINE DIVISION OPERATING FUND*	28,002,082	28,002,082	-
PUBLIC HEALTH FUND	203,398,259	203,638,259	(240,000)
INTER-COUNTY RIVER IMPROVEMENT FUND	50,000	50,000	-
GRANTS FUND	19,438,407	19,438,407	-
FFY11 BYRNE JUSTICE ASST GRANT	242,692	242,692	-
WORK TRAINING PROGRAM FUND	11,736,888	11,353,332	383,556
FEDERAL HOUSING AND COMMUNITY DEVELOPMENT FUND	18,960,439	18,895,115	65,324
SOLID WASTE FUND	100,611,528	102,552,401	(1,940,873)
AIRPORT FUND*	35,254,501	37,409,006	(2,154,505)
RADIO COMMUNICATIONS OPERATIONS FUND	3,871,122	3,379,298	491,824
I-NET OPERATIONS FUND	2,659,632	2,901,537	(241,905)
WATER QUALITY FUND	379,127,264	328,240,106	50,887,158
PUBLIC TRANSPORTATION FUND*	1,272,631,275	1,328,124,963	(55,493,688)
TRANSIT REVENUE VEHICLE REPLACEMENT FUND*	159,544,992	204,279,532	(44,734,540)
SAFETY AND WORKERS COMPENSATION FUND	35,904,309	36,817,841	(913,532)
WASTEWATER EQUIPMENT RENTAL AND REVOLVING FUND*	6,427,257	8,433,074	(2,005,817)
FINANCIAL SERVICES FUND	26,499,674	26,846,212	(346,538)
DES IT EQUIPMENT REPLACEMENT FUND	390,596	364,087	26,509
KCIT STRATEGY AND PERFORMANCE FUND	4,244,480	3,822,801	421,679
GEOGRAPHIC INFORMATION SYSTEMS	5,212,130	5,405,053	(192,923)
BUSINESS RESOURCE CENTER FUND	12,738,233	8,652,978	4,085,255
EMPLOYEE BENEFITS FUND	228,773,371	225,069,445	3,703,926
FACILITIES MANAGEMENT - INTERNAL SERVICE FUND	45,692,623	45,930,125	(237,502)
INSURANCE FUND	31,958,293	27,940,468	4,017,825
KCIT SERVICES FUND	59,536,167	60,403,976	(867,809)
EQUIPMENT RENTAL AND REVOLVING FUND*	25,345,203	26,644,796	(1,299,593)
MOTOR POOL EQUIPMENT RENTAL FUND*	25,393,982	25,417,441	(23,459)
LIMITED G.O. BOND REDEMPTION FUND	254,494,375	252,677,456	1,816,919
UNLIMITED G.O. BOND REDEMPTION FUND	22,510,772	22,240,250	270,522
STADIUM G.O. BOND REDEMPTION FUND	48,720	1,834,750	(1,786,030)
CAPITAL IMPROVEMENT PROGRAM FUND*	832,729,004	832,729,004	-
Total All Funds	\$ 5,311,418,990	\$ 5,411,467,247	\$ (100,048,257)

*Department of Transportation and Department of Development and Environmental Services include biennial budget for 2012/2013.

Funds which have excess expenditures over revenues use fund balance (not shown in this table).

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